

this is a serious problem that calls for serious solutions. It has been 81 days since I introduced a bill called the American Energy Production Act of 2008. Since that time, the Senate has failed to act on adding new supply measures. Since that time the price of oil has risen by nearly 15 percent, from \$112 to \$129 per barrel, even after last week's decline.

Over that same time period, we have seen the other side offer a windfall profits tax that has been uniformly rejected by nearly all energy and economic experts across the ideological spectrum. In fact, the architect of this very concept in the Carter administration has said that "it's a terrible idea today."

On price gouging, an issue once dismissed by top economic advisers to Senator OBAMA, the other side abandoned their flirtation with this issue after confirming it was grounded in fiction and unsupported by any evidence.

Then the majority sought the authority to sue OPEC, the OPEC nations, in the Federal courts of the United States for withholding energy supplies. Perhaps the other side decided to abandon this concept when they realized how much energy supply the Congress was responsible for locking up.

Finally, the majority sought to increase taxes on the domestic energy companies, believing that increasing their business costs would somehow make it easier to compete with much larger national oil companies in their quest for global commodities. Having failed repeatedly to achieve success in increasing taxes, the other side has now decided to do so under the auspices of additional production.

I have said before on the Senate floor in much greater detail that the "use it or lose it" concept is an uninformed and ill-conceived policy that will harm all our energy security and increase our energy costs. In the midst of all these failed ideas, the majority brought a climate change bill to the floor of the Senate that was estimated to increase gas prices by as much as \$1 per gallon over the coming years and would have resulted in even greater price increases for overall energy costs.

The assertion that the majority knows how to deal with the problems of high energy costs is discredited by their continuous attempts to advance policies that will raise the prices even higher. That is how we have arrived here today. After a series of failed ideas and counterproductive policies and counterproductive policy proposals, the other side seeks to set up another smokescreen against the force of overwhelming public opinion, and Senate Republicans united to increase domestic energy production.

The other side seems content to create another politically motivated diversion from the serious problem which stares us in the face. And lo and behold, as we start this discussion, the American people have seen through it

all and they have come to the conclusion that it is time, as they put it, to drill for more oil and gas if it is ours. We have called it exploration off the shores of America, where much oil and gas has been locked up for 27 years, where we have imposed moratoria based upon our concern and our fears that should not have existed. We tied up the oil and gas that belongs to Americans, and they are saying "get on with it." No more smokescreens, no more politically motivated diversions. Let's stare this problem right in the face and get on producing more and saving more. I repeat, in all my years in the Senate I have never seen a problem so big met with a proposed solution that is so small.

But I do not come to the Senate floor simply to reject the ideas of the other side. I rise to speak today, to share with the Senate some ideas supported by facts about how we can address the serious supply and demand imbalance that confronts us. My proposed American Energy Production Act, as well as the Gas Price Reduction Act, introduced by our Republican leader, Senator MCCONNELL, would help ensure an adequate and affordable supply of energy in both the near term and the long term.

The legislation introduced by Senator MCCONNELL and by the Senator from New Mexico, myself, would allow Atlantic and Pacific States to initiate oil and gas production from the deep seas, regions that are believed to contain, at a minimum, 14 billion barrels of oil.

We know this is a minimum because we have not bothered to inventory these deep water assets for 20 or 30 years or more. We must understand that during this period of time, with new techniques, new technology, new ways of discovery and new ways of delivery, these underwater reservoirs are going to yield much more oil and gas than we ever imagined, as we looked at them with old-time techniques, 20 and 30 and 40 years old.

This legislation would reverse a congressional ban on regulations for oil shale leases—the "rules of the road" that industry must have before they will invest in significant resources. That is another asset we have which exists in three Western States. We need the rules of the road which have been locked up, again, by a moratorium imposed in the Interior appropriations bill in the dead of night, with no debate and no one to watch it. That must be removed so that giant potential for oil will be the source of investment by oil companies that seek new and innovative ways to turn that shale, which abounds in oil, into usable oil or usable diesel, which could certainly alleviate America's problems.

We also propose establishing a program of direct loans and grants to accelerate the production of advanced batteries in the United States. These are crucial to advanced vehicles such as plug-in hybrids, which promise to

reduce our Nation's consumption of oil and our greenhouse gas emissions. Thus, we will be producing more and using less because, with this battery research reaching fruition, producing batteries that give many more miles for the wheels that carry the electric cars—clearly, when we get that we will be saving oil because we will not use as much gas to service our automobile fleets.

These batteries are critical to advanced vehicles, the plug-in hybrids which we are talking about, and which hold so much promise.

I am also willing to look at ways to improve the transparency of the markets and the ability of the Commodity Futures Trading Commission to enforce its authority. The legislation introduced last month by the Republican leader would strengthen our oversight of the markets by adding more enforcement and increasing transparency. Republicans are open to working with the majority on speculation. It is time now for the majority to work with us on production. Production is a far bigger part of the solution to the American concern for ever-escalating prices of gas for automobiles and natural gas for use in various parts of our daily lives.

I look forward to an open debate. Clearly, the issues we attempt to address on the production side and on the side of saving through electric automobiles are a much bigger part of the American problem than the problem that the majority leader attempts to solve in his antispeculation bill, which a number of us have had a chance to read now and to discuss with experts. We will have more to say about it. Suffice it to say that it would certainly not be a major part of solving the energy problem for the American people. There is no question about it. All you would have to do is submit the bill to anybody who knows about commodities and about futures markets, and they will tell you that bill we are going to talk about is not calculated to do a lot of good.

As we move toward a new policy, it is important that we do so with every good intention. We want the majority leader to know we respect his approach to bringing up, through rule XIV, his bill. But we believe we are entitled to offer amendments to it—certainly not just one but enough amendments to make our case.

The Democratic leader wants to talk about speculation. We say let's also talk about production. There is no question, if you are going to talk about the problem confronting the American people, and you put up a speculation bill—that you are not even sure will work, but it is there—that those who have some real interest in increasing production deserve an opportunity to offer their amendments and to be heard.

To address this imbalance it is logical that we seek policies to increase our supply and decrease demand. I urge my colleagues on the other side to join